12.	Secretary, Irrigation, Government of Maharashtra, Mantralaya, Bombay – 400 001	.....	Member
13.	Secretary, Irrigation and Waterways Department, Government of West Bengal, Writers Building, Calcutta – 700 001.	.....	Member
14.	Dr. V.J. Patel Jivaraj Patel, Agro–forestry Centre, "Surendra Baugh", Kardej – 364 061 Distt. Bhavnagar (Gujarat) A farmers' representative)	.....	Member
15.	Shri M.L. Lath, Chief Engineer (WM), Ministry of Water Resource, Lok Nayak Bhavan, New Delhi	.....	Member Secretary

Terms of Reference of the Committee

(i) To review the existing water rate structure and the extent of subsidy in Govt. and public sector irrigation projects.

(ii) To suggest:

(a) the norms for fixing water rates;

(b) the norms for cost escalation in O&M component of economics water rates;

(c) the norms for conversion of volumetric supply of water rates of crop–wise/ area–wise water rates for different agro–climatic zones;

(d) the organisational measures including mechanism for efficient recovery of economic water rates; and

(e) operating controls for ensuring levy of appropriate irrigation water rates by the States.

(iii) To evolve a rational water rate structure for both surface and ground water to promote conjunctive use

(iv) To review the present status of maintenance of irrigation projects in different States.

(v) To review the norms of maintenance as recommended by earlier Committees and different Finance Commissions.

(vi) To suggest the norms for fixing maintenance charges including stipulating the upper ceiling per hectare of command for the expenditure on staff establishment for various irrigation systems in different States.

Committee for Sugar Projects

4437. SHRI R. SURENDER REDDY: Will the Minister of FOOD be pleased to state:

(a) whether th Union Finance Ministry has set up a Committee to go into the woes of the new sugar cooperative projects in Maharashtra;

(b) if so, the reasons for the same and whether the Union Ministry of Industry has granted letters of intent to thirty six projects in 1989;

(c) if so, whether twenty six units which have already invested Rs. 100, crores have not been able to proceed further as the term lending institutions expressed their inability to lend finance;

(d) whether any recommendation has been made by the Committee in this regard; and

(e) if so, to what extent the Committee has recommended steps to meet the woes of the sugar cooperative projects?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI TARUN GOGOI) (a). No, Sir.

(b) Central Government have issued 36 Letters of Intent for establishment of new sugar factories in the State of Maharashtra during the 7th Five Year Plan period, out of which 20 Letters if Intent were issued during 1989.

(c) At present, 27 applications for grant of financial assistance from Maharashtra State are pending with the financial institutions. The Financial Institutions have expressed doubts about the viability of a sugar factory primarily on account of the sharp increase in project cost. As such, they have not ben able to provide finances to some new projects.

(d) and (e). Do not arise.

Financial Powers to Municipalities

4438. SHRI DHARMABHIKSHAM: Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether the Union Government propose to give more financial powers to municipalities; and

(b) if so, the details thereof and the steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI M. ARUNACHALAM): (a) and (b). The subject of loacal Government that is to say, their constitution and powers, etc. falls within the State List. Hence, it is for the State Governments to grant more powers to the institutions of Local Self Government. However, with a view to strengthen the urban local bodies, the Constitution (Seventy Third Amendment) Bill, 1991 which has been introduced in the Lok Sabha on 16.9.1991 provides that the Legislative of a State may by law

(a) authorise a Municipality to levy, collect, and appropriate such taxes, duties, tolls and fees in accordance with such procedure and subject to such limits;

(b) assign to Municipality such taxes, duties, tolls and fees levied and collected by the State Government for such purposes and subject to such conditions and limits,

(c) provide for making such grants-in aid to the Municipality from the Consolidated Fund of the State; and

(d) provide for constitution of such Funds for crediting all money received respectively, by or on behalf